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# Fostering sustainable development in Asia and the Pacific

**Note by the secretariat***

*Summary*

The Asia-Pacific Forum on Sustainable Development is being convened as elements of consensus are emerging on a new sustainable development goal framework and a United Nations development agenda beyond 2015. The Forum therefore presents a valuable opportunity for dialogue among member States and other stakeholders to link the Asia-Pacific regional perspective on the priorities and goals for sustainable development into the global process of the High-level Political Forum on Sustainable Development to shape the future development path of the region. As a basis for the dialogue among member States attending the Forum, the present document outlines the strategic sustainable development priorities and relevant potential sustainable development goals for the Asia-Pacific region and its subregions. It challenges stakeholders to rethink business-as-usual approaches to development and sets the stage for regional dialogue and recommendations on governance approaches and the means of implementation focused on the achievement of sustainable development. Furthermore, the paper invites member States and stakeholders to make specific recommendations aimed at helping to shape an effective regional process that will foster progress on an institutional framework for sustainable development in Asia and the Pacific.

* The late submission of the present document is due to the need for a comprehensive reflection of complex sustainable development issues and to reflect the latest proceedings of the Open Working Group of the General Assembly on Sustainable Development Goals.

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# I. Introduction

## A. Scope of the present document

1. Following the outcomes of the United Nations Conference on Sustainable Development, the High-level Political Forum on Sustainable Development was established "as the guardian of the sustainable development agenda". In its resolution 67/290, the General Assembly underlined the regional dimension of sustainable development by inviting the regional commissions to contribute to the work of the Forum, including through annual regional meetings, involving other relevant regional entities, major groups and other stakeholders, as appropriate.[1]

2. The Asia-Pacific Forum on Sustainable Development is the inaugural regional preparatory meeting in Asia and the Pacific for the High-level Political Forum on Sustainable Development.[2] The objective is to foster dialogue on regional priorities and challenges for sustainable development, including for prospective sustainable development goals and means of implementation. The Asia-Pacific Forum on Sustainable Development will also engage stakeholders in shaping effective regional processes to accelerate progress on sustainable development, in line with the vision of the High-level Political Forum on Sustainable Development.

3. The present document is aimed at presenting preliminary perspectivesof the secretariat, reflecting the outcomes of regional consultations on regional priorities and challenges, with the objective of facilitating dialogue to shape regional perspectives on the global sustainable development agenda and appropriate follow-up.

## B. Global perspectives and processes on sustainable development

4. The World Commission on Environment and Development defined sustainable development as "development that meets the needs of present generations without compromising the ability of future generations to meet their own needs".[3] The balanced integration of the economic, social and environmental dimensions of sustainable development became a priority at the United Nations Conference on Sustainable Development in 2012 in recognition of the fact that progress on sustainable development was slowed because it was largely synonymous with environmental protection. Sustainable development is now at the core of discussions on the development agenda beyond 2015. In his report, "A life of dignity for all: accelerating progress towards the Millennium Development Goals and advancing the United Nations development agenda beyond 2015" (A/68/202), the Secretary-General called upon Member States to adopt a universal development agenda beyond 2015, with sustainable development as a guiding principle.

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[1] The High-level Political Forum on Sustainable Development replaces the Commission on Sustainable Development (see General Assembly resolution 67/290).

[2] The inaugural meeting of the High-level Political Forum on Sustainable Development was convened under the auspices of the General Assembly on 24 September 2013. The second meeting will be held under the auspices of the Economic and Social Council from 30 June to 9 July 2014, including a three-day ministerial segment from 7 to 9 July 2014.

[3] World Commission on Environment and Development, *Our Common Future: Report of the World Commission on Environment and Development* (Switzerland, 1987).

5. The work being done by the Open Working Group of the General Assembly on Sustainable Development Goals[4] will play an important role in what is expected to be an ambitious development agenda beyond 2015. As of 21 April 2014, the Open Working Group had made progress towards defining goals and targets and had reduced the number of focus areas to 16.[5] The 16 focus areas will guide negotiations to identify sustainable development goals and accompanying targets, to which the Governments and other stakeholders are expected to contribute individually and/or collectively.

## II. Sustainable development priorities in the Asia-Pacific region

6. Several regional forums[6] have discussed priorities for follow-up to the United Nations Conference on Sustainable Development and the development agenda beyond 2015. A series of workshops and subregional consultations have also synthesized Asia-Pacific perspectives as part of the system-wide consultations initiated by the Secretary-General. These views were reflected in the Asia-Pacific Regional MDGs Report 2012/13, which highlighted 12 goal areas for the future framework: zero-income poverty; zero hunger and malnutrition; gender equality; decent jobs for everyone of working age; health for all; improved living conditions with a focus on the poor; quality education for all; liveable cities; environmental responsibility and management of natural resources; disaster risk reduction; accountable and responsive Governments and; strong development partnerships.[7]

7. The most comprehensive expression of regional consensus to date has been issued by the Asia-Pacific Ministerial Dialogue: from the Millennium Development Goals to the United Nations Development Agenda beyond 2015, convened in August 2013 by the Government of Thailand in collaboration with ESCAP. The "Bangkok Declaration" reaffirmed and outlined regional perspectives and priorities on the development agenda beyond 2015.[8]

8. Based on these consultations, a sense of the shared sustainable development challenges of Asia-Pacific countries is beginning to emerge. A preliminary list, which corresponds to some extent to the focus areas emerging from Open Working Group discussions, but reflecting the region's specific challenges, is presented here to facilitate dialogue among participants and to support the global process.

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[4] The Open Working Group comprises 70 Member States, including 20 Asia-Pacific countries. (See General Assembly decision 67/555).

[5] Working document for 5 to 9 May 2014 session of Open Working Group attached to the letter from the Co-chairs dated 17 April 2014.

[6] These include the regional implementation meeting on the outcomes of the United Nations Conference on Sustainable Development (Bangkok, April 2013) and the International Conference on the Post-2015 Development Agenda (Dili, February 2013).

[7] ESCAP, ADB and UNDP, *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda: Regional MDGs Report 2012/13*, pp. 59-61.

[8] The *Bangkok Declaration of the Asia-Pacific Region on the United Nations Development Agenda beyond 2015.* Available at http://apmd2013.unescap.org/documents/APMD2013_Declaration.pdf.

## A. Eradicating poverty and narrowing inequality

9. The region's growth has facilitated substantial declines in income poverty in recent decades. Between 1990 and 2011, the incidence of extreme poverty (below $1.25 a day) dropped from 1.6 billion to 743 million.[9] The depth of poverty has also narrowed in most Asian countries, as measured by the poverty gap indicator.At the same time, large numbers of people live just above the extreme poverty line. If $2 a day is used as a benchmark, the number of people living in poverty increased from 743 million to 1.64 billion over the same period.[10] Vulnerability is exacerbated by inadequate social protection. In half of the countries in the region where data are available, public social protection expenditure is less than 2 per cent of GDP.[11]

10. Persistent poverty and inequality in their various dimensions are inextricably linked. The population-weighted average Gini coefficient of the region has risen from 33.5 to 37.5 since the early 1990s.[12] Inequality has widened in 14 of the 30 Asia-Pacific economies with comparable data. Income differences across countries are also a major concern.[13]

11. High levels of deprivation in access to basic services contribute to poverty and inequality: more than 1.7 billion people in the region live without access to basic sanitation; 1.7 billion people rely on traditional biomass as their primary source of energy; and more than 600 million people live without access to electricity. In the Pacific subregion, the proportion of the population without access to electricity exceeds 70 per cent.

12. Inequality of income, opportunity and power are manifested between women and men, girls and boys, between and within urban and rural populations, and across caste, ethnicity, creed, language groups, and sexual orientations. They are related to persistent disparities regarding (a) access to assets in education and health and (b) basic needs associated with shelter, water and food.[10] Inequalities associated with power, voice and civic participation are entrenched by discriminatory political, legal and social norms, based on gender, ethnicity, language and disability,[14] and lack of recognition and enforcement of human rights.

13. Among the possible sustainable development goals currently discussed in the Open Working Group, those of key importance to the Asia-Pacific region in this area would include (a) "eradicate extreme poverty" (1a); and (b) "reduce the proportion of people living below national poverty lines" (1b).Goals such as "ensure universal access to sustainable modern energy services" (7a), and "provide universal access to safe and affordable drinking water, sanitation and hygiene, especially for women and girls" (6a) should be accorded high priority. Goals related to inequality, such as "sustain income growth of the bottom 40 per cent of the income distribution of each country" (8a) and "ensure

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[9] Ibid.

[10] ESCAP, ADB and UNDP, *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda: Regional MDGs Report 2012/13*.

[11] Ibid.

[12] Ibid.

[13] *Economic and Social Survey of Asia and the Pacific 2012: Pursuing Shared Prosperity in an Era of Turbulence and High Commodity Prices* (United Nations publication, Sales No. E.12.II.F.9).

[14] See E/CN.5/2014/8.

equality of economic opportunity including secure rights to own land, property and other productive assets and access to financial services" (1f) would be most relevant to the region, while suggested goals in the contexts of universal access to education, health care and basic services may also be considered highly important.

## B. Pursuing sustained and inclusive economic growth

14. Poverty persists and income gaps widen partly because economic growth is not generating sufficient decent and productive employment. In the Asia-Pacific region, over one billion people are employed informally,[10] and, in the majority of Asia-Pacific least developed countries, more than half of the working population is still employed in the agricultural sector,[15] and a large number have incomes at subsistence levels. Wages as a share of GDP are in decline, and workers have moved from low-productivity agriculture into low-productivity services and vulnerable employment. About 60 per cent of workers in the Asia-Pacific region are in that situation.[16] Youth unemployment is also a challenge.[13]

15. While the region's growth has provided Governments with the resources to expand critical basic services, invest in social and economic infrastructure, and finance social protection, persistent shortcomings in achievement of the Millennium Development Goals show that further investments are needed. However, growth will only maximize social outcomes if it is inclusive. Similarly, shared prosperity and growth will only be sustainable if they respect planetary boundaries. That is an important concern for a region with high levels of environmental pressure, vulnerability to climate change and limited access to natural resources, such as land and water.

16. A more sustainable and inclusive growth path requires economic policies that promote structural transformation and foster economic diversification based on sustainable consumption and production, which broaden opportunities for productive and decent work and minimize economic fluctuations and insecurity. That will mean investing in reshaping incentives frameworks and in productive capacities, boosting skills through formal and informal education and providing services that meet the needs of the poor and vulnerable, pursuing consistently countercyclical policies, addressing sovereign and household debt, and reforming the international financial sector.

17. The Bangkok Declaration advocates an emphasis on inclusive, equitable and sustainable development and economic growth aiming to address all forms of inequalities and the factors underpinning them effectively.[17] Other relevant goals, among those discussed in the Open Working Group, may include "achieve full and productive employment and decent work for all who seek employment including for marginalized groups" (8b) and "protect the rights of all workers, including migrant workers, in compliance with ILO

[15] ESCAP based on World Bank, World Development Indicators Database. Available from http://data.worldbank.org/data-catalog/world-development-indicators (accessed 28 January 2014).

[16] ILO, "Building a sustainable future with decent work in Asia and the Pacific", report of the Director-General (Geneva, 2011). Available at www.ilo.org/global/meetings-and-events/regional-meetings/asia/aprm-15/reports/WCMS_151860/lang--en/index.htm.

[17] ESCAP, Asia-Pacific Ministerial Dialogue: From the Millennium Development Goals to the United Nations Development Agenda beyond 2015 (DEV/APMD/2013/2, para 4(a)) (Bangkok, 2013).

fundamental rights at work" (8h). Due attention may be necessary for education and lifelong learning goals, such as "increase the number of young and adult women and men with vocational training, technical, engineering and scientific skills" (4e), to broaden opportunities for productive employment.

## C. Gender equality and empowerment

18. Gender equality and women's empowerment are recognized prerequisites for the realization of all development goals; of poverty reduction, of good governance, of economic growth, of social cohesion, and of inclusive, equitable and sustainable development. Substantive gender equality remains elusive in the region, despite thelong-standing and significant commitments as evidenced, for example, in the Convention on the Elimination of All Forms of Discrimination against Women of 1979, the Beijing Declaration and Platform for Action of 1995, and the outcome document of the United Nations Conference on Sustainable Development.

19. The gender gap in the labour force participation rate is 49.5 per cent in South Asia, 23.1 per cent in South-East Asia and the Pacific, and 13 per cent in East Asia.[18] Moreover, in 2012, a total of 28.9 per cent of women in Asia and the Pacific were engaged as contributing family workers, compared with 9.2 per cent of men.[19] Women face constraints in access to, and control of, assets and services; these constraints disempower them and underpin widespread violence against women and girls, manifesting themselves in multiple forms — sexual, physical, domestic, economic, psychological and harmful practices — and resulting in disability and death, which then impairs the development of individuals, families and communities.

20. Recognizing and responding to the multidimensionality of gender and the interconnectedness of development goals can enhance the economy, efficiency, effectiveness and equity of sustainable development initiatives for the benefit of all. That would require multifaceted, resourced action — which is grounded in human rights instruments —to eradicate the structural causes of inequality.

21. The proposed sustainable development goals currently being discussed by the Open Working Group under focus area 5 — gender equality and women's empowerment — are all relevant to Asia and the Pacific. Others that may be considered particularly relevant to the region are "equal access to education at all levels" (5c), "equal employment opportunities and equal pay for equal work" (5d), and "equal access to, and control of, assets and resources, including natural resources management" (5e), as well as "equal participation and leadership in decision-making in public and private institutions" (5f).

## D. Building resilience to multiple shocks

22. The Asia-Pacific region has been affected by a series of shocks, such as earthquakes, droughts, floods, convulsions in global markets and volatile prices of food, energy and other commodities. Shocks occurring in complex, interlinked social, economic and environmental systems mean that a single event that, in isolation, might seem manageable within national borders will increasingly have unforeseen impacts.

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[18] ILO, *Global Employment Trends for Women* (Geneva, 2012).

[19] *Statistical Yearbook for Asia and the Pacific 2013* (United Nations publication, Sales No. E.13.II.F.1), p. 147.

23. Asia and the Pacific is the world's most disaster-prone region: in the past decade, about three million people have been affected by disasters and more than 800,000 have been killed. A person living in Asia and the Pacific is almost twice as likely to be affected by a natural disaster as a person living in Africa, almost six times more likely than someone in Latin America and the Caribbean, and almost 30 times more likely than a person living in North America or Europe.[20] Among the countries most vulnerable to disasters are those least able to cope — least developed countries and small island developing States.

24. Climate change is predicted to affect the frequency and severity of extreme weather events. In its Fifth Assessment Report, the Intergovernmental Panel on Climate Change (IPCC) noted that these impacts may be particularly significant on freshwater resources, food production and food security, disaster risk and sea-level rise in the Asia-Pacific region,[21] and highlighted the need for transformations in economic, social, technological, and political decisions and actions to enable climate-resilient pathways for sustainable development.

25. Urban areas are often on the frontline of climate change and natural disasters, and flooding and sea-level rise are likely to have the most far-reaching impacts. It is estimated that, by 2015, some 410 million urban residents will be at risk of coastal flooding, with a further 350 million at risk of inland flooding.[22] Several capitals of Pacific island States are under direct threat of inundation, which would render them uninhabitable.

26. In an increasingly globalized world, economic shocks are transmitted with alarming speed. Shocks affecting the financial centres of the world cause substantial ripple effects elsewhere. ESCAP has warned that the region's economic outlook is subject to downside risks posed by rising inflationary pressures driven by high food and energy prices and continued pressures on exchange rates and asset prices emanating from large and volatile capital flows.[23] Such pressures complicate macroeconomic management and make the rebuilding of fiscal space more challenging, as discretionary spending to protect the poor from the impact of high food and energy prices is likely to increase.[24,25] Occurring during a disaster, such pressures place additional pressure on social protection systems and other socioeconomic policies.

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[20] *Building Resilience to Natural Disasters and Major Economic Crises* (United Nations publication, Sales No. E.13.II.F.3).

[21] Intergovernmental Panel on Climate Change, "Climate change 2014: impacts, adaptation, and vulnerability". IPCC Working Group II contribution to AR5. Working Group II, tenth session, Yokohama, Japan, 25 to 29 March 2014. Available from http://ipcc-wg2.gov/AR5).

[22] ADB, "Green urbanization in Asia", in *Key Indicators for Asia and the Pacific 2012*, 43rd edn. (Mandaluyong City, Philippines, 2012).

[23] *Economic and Social Survey of Asia and the Pacific 2012: Pursuing Shared Prosperity in an Era of Turbulence and High Commodity Prices* (United Nations publication, Sales No. E.12.II.F.9).

[24] High-level Regional Policy Dialogue on "Asia-Pacific economies after the global financial crisis: lessons learnt, challenges for building resilience, and issues for global reform" organized by ESCAP, Manila, 6-8 September 2011 (see www.unescap.org/events/high-level-regional-policy-dialogue-asia-pacific-economies-after-global-financial-crisis).

[25] *Economic and Social Survey of Asia and the Pacific*, several issues.

27. Those most vulnerable to shocks are those living in poverty who have few physical, socioeconomic or institutional buffers and who have limited opportunities and choices. One of the most pressing challenges for Asia and the Pacific is to build resilience to multiple shocks, in contrast to the traditional approach, which considers each shock individually. Addressing these complex shocks demands a more integrated approach that considers economic, social and environmental policies together.

28. Managing disaster risks should be regarded as investment in sustainable development rather than an added cost. To that end, Governments should put in place adequate and appropriate legal frameworks and checks and balances; they should also provide risk information as a public good. A range of options in the management of risks should be accelerated by making better use of science and technology, including in the fields of information and communications technologies (ICTs) and space technology. Investments in development and strengthening of national multi-hazard early warning systems should be considered as an integral part of resilience-building strategies and, to that end, a durable framework to ensure national, regional and international cooperation should be put in place.

29. Partnerships should be built to develop: (a) appropriate methods and tools for monitoring coherence between the sustainable development goals and actions aimed at strengthening national disaster risk management, with clear targets and indicators, as part of the sustainable development goal focus areas; (b) improved access to disaster-related data in order to enable better evidence-based disaster risk management; and (c) timely response and recovery that contributes to the reduction of future risks.

30. The United Nations Regional Coordination Mechanism, through its technical working group on environment and disaster risk management, as well as non-represented agencies, such as the World Meteorological Organization and the United Nations Platform for Space-based Information for Disaster Management and Emergency Response (UN-SPIDER), are ready to join efforts to support policy coherence and mutual reinforcement among the framework for disaster risk reduction beyond 2015, new sustainable development goals, the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the 2016 World Humanitarian Summit, through the development of a United Nations action plan to support national, subregional and regional efforts in Asia and the Pacific.

31. The Open Working Group attempts to address the issue of resilience under different focus areas.Relevant suggested goals include "build resilience of the poor and reduce deaths and economic losses related to disasters" (1d), "build resilience and adaptive capacity to climate induced hazards in all vulnerable countries" (12e), and "increase the number of cities adopting and implementing policies and plans towards resilience and adaptation to climate change and natural disasters" (10e). However, these do not necessarily capture the holistic nature of the actions required to enhance the overall resilience of the countries to cope with shocks. Disaster risk reduction alone was not identified as a separate goal area. The Asia-Pacific region may take the opportunity to propose "building resilience to disasters" as an important additional area that needs to be addressed in the Open Working Group.

## E. Responding to population dynamics and urbanization

32. Population growth, ageing, urbanization, and migration present both challenges and opportunities that are of vital concern to a region whose population has nearly tripled over the past 60 years.

33. While, as much as a third of the economic growth enjoyed by some countries in the region from the 1960s to the 1990s[26] has been driven by "demographic dividend" associated with declining fertility rates and rising average life expectancy economically supporting a rapidly growing population of older persons, protecting their rights and ensuring their health and well-being is an important sustainable development challenge. Currently, older adults represent less than 10 per cent of the population of the region, but this percentage is expected to increase to 25 per cent by 2050.

34. Many of these older people will live in cities. The region's urban population is projected to grow by a further 1.3 billion between 2015 and 2050.[27] The region's urban transformation has been positively correlated with its significant and rapid economic growth and achievement of Millennium Development Goals. At the same time, an estimated 571 million people in the Asia-Pacific region continue to live in slums, often with insecure tenure and limited access to improved sanitation and water infrastructure.

35. The 53 million international migrants that reside in Asia and the Pacific indicate the scale and importance of international migration to sustainable development in the region. One of the principal benefits of labour migration for both households and countries of origin is the flow of remittances. In 2013, 6 of the world's top 10 remittance-receiving countries were in Asia and the Pacific.[28] Remittances bring a number of development benefits, including protecting receiving households against external shocks, such as financial crises, conflicts, natural disasters and environmental changes. However, migrant workers are often subject to exploitation abroad and do not fully enjoy their rights to education, health, individual liberty and security of person.

36. In the current discussion in the Open Working Group, the issues related to urbanization are comprehensively covered under focus area 10 —sustainable cities and human settlement. Such issues as "elimination of slum-like conditions" (10a), "access to safe, affordable accessible and sustainable transport for all, improving road safety and urban air quality" (10b), and "capacity-building for integrated urban planning and management" (10c) may be among the most relevant to the Asia-Pacific region. Broader issues related to population dynamics and demographic changes, however, may not be fully addressed. The issue of migration is merely covered by "implement planned and managed migration policies" (16e). This would perhaps give the Asia-Pacific region an opportunity to draw attention to the significance of issues related to population dynamics and demographic changes.

## F. Enhancing resource efficiency and natural resource management

37. The region cannot sustain its resource-intensive growth pattern, which currently uses three times more resources than the world average per unit of

[26] David E. Bloom and Jeffery G. Williamson, "Demographic transitions and economic miracles in emerging Asia", *The World Bank Economic Review*, vol. 12, No. 3 (September 1998), pp. 419-55.

[27] United Nations, *World Urbanization Prospects: The 2011 Revision*, Department of Economic and Social Affairs, Population Division. Available from http://esa.un.org/unup.

[28] World Bank, "Migration and remittance flows: recent trends and outlook, 2013-2016", *Migration and Development Brief*, No. 21 (2 October 2013). Available from http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1288990760745/ MigrationandDevelopmentBrief21.pdf.

GDP. The region has accounted for well over half of the global use of materials since the mid-1990s,[29] and rising and increasingly volatile commodity prices are becoming the "new normal".[30]

38. Unsustainable rates of resource use threaten to reverse development gains and entrench poverty and inequality, and also impact negatively on economic growth and dynamism. ESCAP estimates show that in 2010, high food prices kept 19.4 million people in poverty. The triple food, fuel and financial crisis, which reached a critical stage in late 2008, resulted in a global recession, unemployment, hunger and social conflict, and reversed development gains. As many as 21 million people in the region could have been pushed back below the poverty line during 2009-2010.[31]

39. Rising and volatile commodity prices are an increasing burden on developing country budgets. The cost of net energy imports has risen to more than 20 per cent of GDP in Mongolia and Sri Lanka, for example. Rising costs represent lost potential to invest in long-term development and are a source of economic vulnerability and risk, with Asia-Pacific economies mostly dependent on resources originating from outside the region.[29]

40. It is necessary to strengthen the sustainable management of natural resources, encompassing sustainable and eco-efficient agricultural practices, integrated water resources management, habitat protection and biodiversity conservation, including oceans and mountain ecosystems. These should be managed in an integrated manner to meet often-conflicting multiple needs, leading to trade-offs between the economic, social and environmental dimensions of sustainable development.

41. In Asia and the Pacific, the need to use natural resources efficiently and manage them sustainably has been recognized by a number of forums. It is noteworthy that the Fifth Ministerial Conference on Environment and Development in Asia and the Pacific, which was held in Seoul in 2005, pioneered the adoption of "green growth" as an Asia-Pacific regional strategy for sustaining the economic growth necessary to reduce poverty, which is critical for the sustainable development needs of the region. The green growth approach focuses on generating synergies between economic and environmental dimensions, with special emphasis on the urgent need to improve eco-efficiency in patterns of production and consumption.

42. In 2013, the United Nations agencies in Asia and the Pacific jointly published a report entitled *Towards a Green Economy for Sustainable Development and Poverty Reduction — an Asia-Pacific Perspective*[32] as an immediate follow-up to the outcome of the United Nations Conference on Sustainable Development. It highlighted innovative and bold initiatives in

[29] ESCAP, ADBand UNEP, *Green Growth, Resources and Resilience: Environmental Sustainability in Asia and the Pacific* (Bangkok, 2012) (ST/ESCAP/2600).

[30] *Economic and Social Survey of Asia and the Pacific 2013: Forward-looking Macroeconomic Policies for Inclusive and Sustainable Development* (United Nations publication, Sales No. E.13.II.F.2).

[31] ESCAP, ADB and UNDP,*Achieving the Millennium Development Goals in an Era of Global Uncertainty: Asia-Pacific Regional Report 2009/10* (United Nations publication, Sales No. E.10.II.F.10).

[32] United Nations Asia-Pacific Regional Coordination Mechanism, 2013. Available from http://issuu.com/mayanitamojado/docs/asia-pacific_perspective.

which the region can apply regional solutions to critical and emerging sustainable development challenges.

43. In the current discussion in the Open Working Group, several suggested goals directly address the issue of resource efficiency, such as "double the global rate of improvement in energy efficiency, including in buildings, industry, agriculture and transport" (7c), "improve the energy and resource productivity of economic activities and reduce their waste and emissions per unit of output" (8d), "increase the resource-efficiency of industry, reduce harmful chemicals used and waste generated, and decrease the intensity of carbon emissions from the industrial sector" (9e), and "improve the resource productivity of economic activities" (11c). Other goals address specific policy approaches, such as "phase out fossil fuel subsidies" (7e), "retrofit existing industries" (9h), and "increase the share of environmentally sustainable products and services in GDP" (9f).

44. As for natural resource management, the relevant goals are "achieve sustainable management and use of natural resources" (11a), with specific references to policy approaches originating from the region, "reduce waste through prevention, reduction, recycling and reuse" (11b), and "redouble efforts to raise awareness for creating a culture of sufficiency" (11d). Focus areas 13 and 14 comprehensively address goals related to "marine resources, oceans and seas" and "ecosystems and biodiversity" respectively.

## G. Deepening regional integration and connectivity

45. Countries in the region have accorded high priority to regional integration and connectivity as an important approach for pursuing sustainable development.

46. The Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific in 2013 adopted the Bangkok Declaration on Regional Economic Cooperation and Integration in Asia and the Pacific for endorsement by the Commission at its seventieth session.[33] Through the Declaration, Ministers resolved to work closer together to integrate markets, build seamless connectivity, enhance financial cooperation and enhance resilience to address vulnerabilities and risks associated with natural disasters.

47. The Ministerial Conference reaffirmed, among other things, that regional economic integration is critical for accelerating economic growth and reducing poverty and economic disparities, and thus is instrumental in the achievement of sustainable development. That position was based on the Secretariat's analysis that regional integration: (a) can help Asian and Pacific countries address shared vulnerabilities and risks, many of which are economic but which also included energy security, pressure on natural resources, and food security; (b) promotes greater mutual understanding, helps in resolving conflicts and ushers in peace and stability by deepening mutual interdependencies and opening up more spaces for cross-country dialogue; and (c) enables the region to exercise influence in global economic governance commensurate with its growing economic weight.

48. The integration of markets has many advantages that are directly linked to sustainable development: more efficient use of human, material and financial resources; lower production costs resulting from economies of scale

[33] See E/ESCAP/70/7.

and scope; increases in available products, services and financial instruments variety and quality; lower trade costs; and better use and increased availability of non-renewable natural resources and energy. Deepening regional integration, including through energy connectivity, is also considered a stepping stone for poorer countries to join or move up along the value chain, boost their growth potential and gradually converge with higher-income economies.

49. However, the benefits of integration have still to be spread more widely across the Asia-Pacific region. Many Asia-Pacific economies are characterized by having at least one of the following limitations: small domestic markets; limited natural resources; a small or unskilled labour force; little indigenous technology or innovation; limited access to major ports; or poor infrastructure. Where these barriers are reinforced by policies — either domestic or external — that impede market access and participation in integrated markets for domestic producers, sustainable development prospects will be limited.

50. The main challenges in deepening regional integration are found in weak connectivity, both hard and soft connectivity, including regulatory barriers to the movement of goods, services, people and capital. Efforts are targeted at how to improve connectivity for deeper regional integration in the most economically, environmentally and socially sustainable way.

51. For example, road transport in the region, although it accounts for the vast majority of freight movements over land, remains less efficient, both economically and environmentally. The region's extensive railway network remains underutilized, because of both infrastructural and institutional obstacles. While supports are needed for Governments to take a comprehensive approach and develop integrated national transport policies, regional cooperation could address the various institutional issues affecting cross-border movements of goods and people, while providing coordination for collaborative actions to address issues of common benefit, such as the development of high-quality intermodal facilities.

52. With regard to ICT connectivity, a key challenge is that while the Asia-Pacific region has the most advanced ICT countries in the world, it also has many of the least developed. Less than 8 per cent of people living in developing countries have access to high-speed Internet, while connectivity prices are prohibitive in countries that have the lowest per capita GDP levels. Least developed countries and Pacific island countries are the most disadvantaged in this respect.

53. The current Open Working Group discussion merely touches upon trade-related issues in the focus area 16 — Means of implementation. Specific goals suggested include "promote open, rules-based, non-discriminatory and equitable multilateral trading and financial systems, including complying with the agricultural mandate of the WTO Doha Round" (15a). However, the entire issue of regional integration and connectivity has not been covered sufficiently at the global discussion. Asia-Pacific countries may wish to address specific approaches to this subject, reflecting the high priority accorded to regional integration for the sustainable development of the region.

## III. Sustainable development priorities of ESCAP subregions

54. Across the ESCAP region, there are common trends, in particular rapid economic growth and urbanization, that influence the region's sustainable development priorities. However, the five subregions — the Pacific, South and South-West Asia, East and North-East Asia, North and Central Asia and South-

East Asia — also demonstrate diversity in terms of sustainable development priorities, challenges, responses, and capacities owing to their different geographical, socioeconomic and political settings, as well as different development stages. An overview of each subregion is presented in this section as an attempt to account for this diversity in understanding and shaping common regional priorities.

## A. The Pacific

55. The Pacific subregion comprises more than one fifth of the Commission's members — 20 island States, most struggling to achieve the Millennium Development Goals. The limited development outcomes are a function of governance, policy and geographic challenges and constraints. Smallness and isolation have translated to high costs in transport, service delivery and production, as well as vulnerability to economic and environmental risks.

56. Sustainable development priorities of the Pacific small island developing States have been identified in the context of the subregion's preparations for the Third International Conference on Small Island Developing States, to be convened in Samoa in September 2014. The emerging consensus focuses on the threat of climate change as a cross-cutting issue, improving sustainable economic growth and inclusive development, and a people-centred approach. Key sustainable development priorities are: (a) *sustainable economic development*, in a context of low growth rates, persistent poverty, economic uncertainty and high unemployment, in particular youth unemployment, and including a focus on green jobs: (b) *environmental and resource sustainability*, encompassing climate action, disaster risk reduction, minimizing the threats to oceanic biodiversity, and food and water security, and chemical and waste management; and (c) *social inclusion*, addressing income inequality, gender inequality, the promotion of peaceful societies and dealing with health challenges, in particular related to non-communicable diseases.

57. Strategies to promote renewable energy and the green economy, the most recent Pacific Plan Review, which recommends alternative development paths, and other new arrangements provide platforms for multi-stakeholder dialogue and joint action on sustainable development, including the green economy, and support integration and transformation for sustainable development.

## B. South and South-West Asia

58. South and South-West Asia accounts for nearly a quarter of the world population. Despite rapid economic growth, and being on-track to halve the number of people living in extreme poverty, there is stalled progress in addressing poverty and hunger, deprivation related to basic services, and high rates of child and maternal mortality.

59. Priority sustainable development challenges are: (a)*eradicating poverty and hunger*; (b) *pursuing higher, inclusive and sustained economic growth* for productive job creation; (c) *addressing structural inequalities* in several dimensions, including education, labour markets, access to modern energy, food security and nutrition; (d) *women's empowerment and gender equality*, in the context of prevalent gender-based violence, discriminatory legislation and inadequate access to health care; (e) *building resilience* to disaster and disaster risk reduction strategies; and (f) *regional integration and connectivity*, as underdeveloped surface transport networks and poor facilitation of subregional

transit and trade constrain the development of regional production networks that could support inclusive growth and industrialization.

60. Progress in addressing communicable diseases, improving access to safe drinking water, and increasing gender parity in education and overall primary enrolment show promise. The countries of the subregion are promoting social inclusion and investing in technological innovations, including those pertaining to renewable energy. However, sustainable development in the subregion will not be possible within the current development paradigm, or without strengthened global partnerships for development, reform of the international financial system and addressing governance deficits at the national and global levels.

## C. East and North-East Asia

61. East and North-East Asia is an economic pillar of the Asia-Pacific region and home to more than 1.6 billion people. The six countries of the subregion are economically, politically and geographically diverse. Overall, there has been exceptional socioeconomic progress and achievement of Millennium Development Goals, in particular relating to gender parity in health and education.

62. Priority sustainable development challenges are: (a) *addressing inequalities*, with significant deterioration in equality stemming from income gaps between rural and urban areas, informal, vulnerable and irregular employment and population ageing, and with evident gender dimensions; (b) *resource efficiency and decoupling growth from resource use and pollution, and dealing with transboundary environmental issues*, as the subregion's material-intensive economies are responsible for more than 60 per cent of Asia and the Pacific's domestic material consumption[29] and about 30 per cent of global fossil fuels, and account for almost a third of global greenhouse gas emissions.[34] Loss of forest cover in some cases contributes to increasing desertification and incidents of dust and sandstorms, the impacts of which go far beyond national borders; (c) *responding to population dynamics*, in a context of rapid urbanization and aging; and (d) *deepening regional integration and connectivity* as a platform for cooperation.

63. High-level policy coordination mechanisms have supported important strategy and policy innovations, many of which are based on low-carbon green growth and development concepts implemented at national and local levels. The subregion can play an important role in transferring its policy experiences and technological knowledge to other subregions.

## D. North and Central Asia

64. North and Central Asia covers a population of about 223.3 million people, with seven out of nine countries landlocked. Levels of extreme poverty and inequality are the lowest among the subregions,[35] but achievement of the

[34] World Resource Institute, "Total GHG Emissions Including LUCF 2010".

[35] *Statistical Yearbook for Asia and the Pacific 2013* (United Nations publication, Sales No. E.13.II.F.1),

Millennium Development Goals in relation to child, infant and maternal mortality, skilled birth attendance, and access to water and sanitation is slow.[36]

65. A development agenda to address the key sustainable development challenges in the subregion would continue to address the Millennium Development Goals, and include: (a) *connectivity* in relation to trade, transport and ICT infrastructure;[37] (b) *economic diversification*, given the high and increasing dependence on commodities, mainly in the energy sector; (c) *food security*, where food items constitute high shares of household expenditure; (d) *energy security*, to address low electricity generation capacity and highly intensive and inefficient use; (e) *water resources management*, including transboundary challenges; (f) *environment and climate change*, where the subregion faces climate change impacts, natural disaster and rising emissions; (g) *investment in human capacities and people-oriented domestic policies*, for strengthened institutions and shared development outcomes;[38] and (h) *regional cooperation and integration*, as well as further integration into the world economy.

66. Increasing the low level of intra-subregional trade and strengthening regional economic integration is important, including through the establishment of the Eurasian Economic Union by 2015. Ensuring that a shared vision of sustainable development underpins the further evolution of the subregion will be critical.

## E. South-East Asia

67. The South-East Asian subregion comprises the 10 member countries of the Association of Southeast Asian Nations (ASEAN) together with Timor-Leste. Economic dynamism reduced poverty rates by more than half between 1990 and 2011, supported achievements in primary education and gender parity in education at all levels,[39,40] and has been facilitated by the most rapidgrowth rates in per capita energy use in the region.[41]

68. Some key sustainable development challenges are: (a) *expanding access to health care*, since health expenditures as a percentage of GDP have lagged behind those of other subregions, and where there has been slow progress on child and maternal mortality; (b) *sustainable infrastructure development*, since progress on meeting basic sanitation needs has been slow, and almost 30 per cent of urban populations live in slums; (c) *disaster risk mitigation and climate adaptation*, as South-East Asian countries are among the most vulnerable in the world to climate change and natural disasters and

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[36] *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda: Asia-Pacific Regional MDGs Report 2012/13* (Bangkok, ESCAP, ADB and UNDP, 2013).

[37] Central Asian countries are ranked at the bottom in terms of enabling environment for "trading across borders" category. See World Bank, Doing Business-2014 (available at www.doingbusiness.org/rankings)

[38] United Nations Development Programme, *The Rise of the South: Human Progress in a Diverse World*, Human Development Report 2013 (New York, 2013). Available from http://hdr.undp.org/sites/default/files/reports/14/hdr2013_en_complete.pdf.

[39] *Paths to 2015: MDG Priorities in Asia and the Pacific. Asia-Pacific MDG Report 2010/11* (United Nations publication, Sales No. E.10.II.F.20).

[40] *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda. Asia-Pacific Regional MDGs Report 2012/13* (Bangkok, ESCAP, ADB and UNDP, 2013).

[41] *Statistical Yearbook for Asia and the Pacific 2013* (United Nations publication, Sales No. E.13.II.F.1).

their associated costs;[42] (d) *managing transboundary ecosystems and transboundary environmental impacts*, due to high environmental pressures on critical ecosystems, including shared marine areas, freshwater systems and transboundary industrial and agriculture-related pollution;[43] (e) *land degradation and biodiversity loss*, due to rapid agricultural expansion, and excessive agro-chemical use, illegal logging, and habitat encroachment; (f) *managing extractive industries for shared prosperity*, since social conflict, environmental degradation and impacted rural livelihoods have offset the economic benefits accrued; (g) *managing transitions in governance systems*, since many countries of the subregion face different kinds of transitions on political and economic fronts, and since inequalities, although narrowed in several countries, are still high;[44] and (h) *sustainable consumption and production*, amid rising oil prices, rapidly changing lifestyles and consumerism, and industrialization processes.

69. The subregion can showcase important governance innovations for poverty reduction, social inclusion, as well as green economy-related national development strategies for achieving renewable energy and climate change mitigation targets. ASEAN economic integration in 2015 can build on these, ensuring that capital flows are appropriately channelled for further investment in the region's people and its natural capital.[45]

# IV. Means of implementation

70. Business-as-usual approaches to governance and implementing a development agenda beyond 2015 will not be sufficient to address the priority sustainable development challenges of the region. A "vicious cycle" of exploiting human and natural capital, which undermines the basis for shared prosperity and sustainability must be replaced by a "virtuous cycle" based on the understanding that investing in people and the planet will result in higher societal and economic returns in the long run.

71. Integration of the three dimensions of sustainable development is needed to secure "multiple dividends," "co-benefits" or a "triple bottom line" of development strategies. This requires transforming trade-offs between efforts to create private wealth and those required to achieve shared prosperity into win-win synergies in the long term. For example, the emphasis on maximizing the short-term quantity of GDP or productivity at the expense of social inclusion and environmental sustainability exacerbate trade-offs between economic growth and the creation of decent work, closing income gaps and protecting the environment. The time gap between the short term economic production and the long-term goals of sustainable development must be closed by effective and strengthened governance and means of implementation.

## A. Financing

[42] Ibid.

[43] Intergovernmental Panel on Climate Change, "IPCC Fifth Assessment Report (WGII AR5)". Available from http://ipcc-wg2.gov/AR5/report/final-drafts/.

[44] In more than one country, the richest quintile of the population receives around half of all national income. See *Statistical Yearbook for Asia and the Pacific 2013* (United Nations publication, Sales No. E.13.II.F.1).

[45] Deutsche Bank, "ASEAN Economic Community (AEC): A potential game changer for ASEAN countries", *DB Research*, 14 June 2013.

72. The Asia-Pacific region is estimated to have over $7 trillion in foreign exchange reserves, more than$2.5 trillion in sovereign wealth funds and about $7.4 trillion of private savings. Despite having some of the highest savings rates in the world, the region faces significant investment needs in relation to physical infrastructure, human capital investments and investments in sustainable development.

73. There is thus a large potential to use the region's savings, which are largely invested outside the region; using 5 per cent of the currently available Asia-Pacific regional public savings could generate more than $350 billion of additional resources for financing sustainable development. Options for raising additional resources include strengthening public finance and the development of capital markets, strengthening the role of private and public institutional funds in the region and fostering public-private partnerships for more effective and efficient development interventions.

74. Strengthening tax revenues is a key response, with most developing countries of the region collecting taxes amounting to far less than the 25 per cent to 35 per cent of GDP commonly used as a benchmark for development. The Asia-Pacific region is the least successful at collecting tax of all global regions — averaging only 12.3 per cent of GDP in 2011, compared to an average of 14.6 per cent of GDP in Latin America and the Caribbean, and 17.2 per cent in sub-Saharan Africa. In 2011, only seven countries collected tax revenues of more than 20 per cent of GDP — and some had tax-to-GDP ratios in the single figures. Strategies for enhancing tax revenues include broadening the tax base and rationalizing tax rates to minimize welfare losses, increasing the collection efficiency of sales taxes and value-added taxes, and improving the taxation of capital gains and harmonizing income tax rates. Particular efforts are also needed in tackling tax evasion.

75. Private sources represent the largest potential stream of funding available for sustainable development, but they remain untapped because of underdeveloped capital markets. Greater effort is needed to develop deep, liquid, efficient, transparent and robust financial and capital systems to mobilize these private sources. That requires developing local currency bond markets, establishing effective equity markets and developing an overarching market infrastructure to enable integration of capital, credit and bond markets in the region. Despite significant progress in achieving greater regional financial integration in Asian equity markets, integration is hampered by a lack of linkages between jurisdictions across the whole spectrum of the financial infrastructure, a lack of harmonization of standards in the capital markets, and weak cooperative efforts in financial system development.

76. Public-private partnerships (PPPs) can help close strategic national and regional development financing gaps. Thus, in the 1990s, private investment committed to infrastructure in developing countries of the region grew more than twentyfold in less than a decade, to $48.9 billion in 1997. Between 2002 and 2008, it grew at an average annual rate of 25.4 per cent and reached an unprecedented $120.1 billion in 2010. However, despite the significant potential of PPPs, their development is more a delicate trade-off based on the specific situations in a country rather than a universally applicable solution. Challenges include a lack of regulatory clarity and coherence, fragmented PPP legislation that can lead to contradictory policies and increased uncertainty for the private sector, ineffective coordination between PPP, land and environmental policies, dependence on debt financing and other financing constraints.

77. Financing for sustainable development is very important in Asia and the Pacific due to the region's vast population, continuing high levels of poverty, and adverse environmental impacts associated with its rapid development. Greater efforts must be made to invest existing resources within the region. However, it will also be critical to raise additional resources, as outlined above. South-South, triangular and regional cooperation will form further critical complementary elements of a financial strategy in support of sustainable development in Asia and the Pacific.

## B. Technology, science, and innovation

78. Sustainable solutions and socioeconomic transformations in the context of sustainable development require advances in scientific knowledge, discoveries, creativity and innovation.[46] The transformational shifts towards global sustainability must be based on sound science, technology and innovation (STI) at three levels: (a) to help develop a thorough understanding of the key global challenges, their complexities and interrelations; (b) to guide the agenda towards addressing these challenges, and develop the scientific understanding, technologies and innovations needed to build sustainable solutions; and (c) to apply a more forward-looking analysis and scenarios that help maximize the benefits and minimize possible externalities of new approaches/solutions.

79. In this context, the domains of STI that are critical for sustainable development include broad-based technology domains, including ICTs and space technology applications. These technologies can support resource-efficient infrastructure and can also strengthen the management of disaster risk reduction and enhance resilience. ICTs are also key enabling tools for effective, open and transparent governance, the engagement of civil society and the empowerment of people for transformative change.

80. Regional cooperation can address some of these issues by sharing information, data and knowledge between countries. For example, the Asia-Pacific Plan of Action for Applications of Space Technology and Geographic Information Systems for Disaster Risk Reduction and Sustainable Development 2012-2017, helps developing countries gain access to space technology applications and support coherent action by national innovation institutions.[47]

## C. Trade

81. To maximize the contribution of trade to achieving sustainable development in many areas, such as supporting climate action and boosting the use of low-carbon energy, reforms are needed to address several key challenges, as outlined in the *Asia-Pacific Trade and Investment Report 2013*.[48]

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[46] United Nations Educational, Scientific and Cultural Organization, Kuala Lumpur Statement "Sustainability Science: A Science based Approach to Realize the Future We Want for All", Kuala Lumpur, 4-5 April 2013. Available from http://portal.unesco.org/ geography/en/ev.php-URL_ID=16591&URL_DO=DO_TOPIC&URL_SECTION=201.html.

[47] *Growing Together: Economic Integration for an Inclusive and Sustainable Asia-Pacific Century* (ST/ESCAP/2629) (Bangkok, ESCAP, 2012).

[48] *Turning the Tide: Towards Inclusive Trade and Investment. Asia-Pacific Trade and Investment Report 2013* (United Nations publication, Sales No. E.14.II.F.2).

Among these, a multilateral trading regime that is fair, just and open has been emphasized.[49]

82. Priority actions include measures for lowering trade costs, as some 60 per cent to 90 per cent of trade costs have been found to be due to policy-related non-tariff costs which can be addressed through appropriate policy and regulatory reforms. "Aid for Trade",[50] foreign direct investment (FDI), technology transfers and trade finance funding, in combination with targeted and tailored trade liberalization and trade facilitation actions, can help developing countries by setting the stage for an expansion of green trade, greater participation in supply chains, and more involvement of small producers.

83. While these reforms in trade policy should be implemented in a way that best supports the principles of sustainable development and responsible business practices, supplementary policies for addressing the social and environmental issues associated with expanding trade, such as income inequality, pollution and resource use, need to be strengthened.

## D. Capacity-building

84. In order to foster transformations towards sustainable development, there are several key areas which require significant enhancement in institutional and human capacity.

85. Critically important is the capacity to support governance reform, such as integrated, multidimensional, long-term and participatory decision-making, including, in particular, the capacity for evidence-based decision-making at all levels.[51]

86. Capacity for monitoring implementation and change at the national level, and providing feedback to support institutional and policy change must be strengthened. In this regard, the statistical capacity of Asia-Pacific countries should be built up to meet demand for data/information, requiring a stronger interface between policymakers and statisticians, and to contribute to the strengthening of ongoing capacity-building for data collection and analysis.[52]

87. Strategies for sustainable development should be appropriate to the national context and build on often intangible assets, such as cultural heritage or indigenous knowledge. Culture can be a powerful driver of development with community-wide social, economic and environmental impacts, as

[49] See DEV/APMD/2013/2 dated 27 August 2013, available at http://apmd2013.unescap.org.

[50] Since 2005, the Aid for Trade initiative has been playing an important role in facilitating the integration of least developed countries into the multilateral trading system, in particular in the Asia-Pacific region, with Afghanistan, India, Pakistan and Viet Nam among the top five recipients.

[51] ESCAP, ADB and UNEP, *Green Growth, Resources and Resilience: Environmental Sustainability in Asia and the Pacific* (Bangkok, 2012) (ST/ESCAP/2600).

[52] See Commission resolution 69/12 on enhancing regional cooperation for building resilience to disasters in Asia and the Pacific.

recognized by a number of events that have underlined the significance of culture in sustainable development.[53]

88. Since education empowers all to actively participate in the transformation to a sustainable future, the vision of education and learning across the educational spectrum, as well as job qualifications and curriculum and programme development, requires critical reforms. Such a vision should take stock of the achievements and outcomes of the Decade on Education for Sustainable Development and be supported by the anticipated successor programme, both globally and regionally.

## E. Partnerships

89. At the Asia-Pacific Ministerial Dialogue held in August 2013, the view was expressed that partnerships should (a) be built among all stakeholders, (b) support internationally agreed development targets, and (c) form the centrepiece of Asia-Pacific cooperation in the years ahead.

90. In line with General Assembly resolution 67/290 on the format and organizational aspects of the high-level political forum on sustainable development, there is an expectation of inclusive engagement of all multi-stakeholder for the deliberations of the High-level Political Forum on Sustainable Development, while respecting agreed rules of procedure. The Regional Coordination Mechanism's experience has also emphasized the need for a consistent and coordinated approach to engaging with civil society.

91. Recent experience shows that "business and industry" requires a separate strategy from that of engaging civil society. The ESCAP Business Advisory Council (EBAC) has established a Sustainable Business Network comprising six task forces addressing various aspects of sustainable development. The Network is evolving as a useful mechanism to engage the private sector in the sustainable development process through consultations, capacity-building, policy advocacy and peer review. At the wider level, ESCAP has organized the annual Asia-Pacific Business Forum, which allows for government-business and other stakeholder consultations on how Government and business can work together to achieve sustainable development and form effective public-private partnerships for that purpose.

92. In strengthening regional partnerships, special consideration may be given to support for the participation of least developed countries, landlocked developing countries and small island developing States. Partnerships for effective development cooperation and engagement in fragile States can build on initiatives such as the "New deal for effective engagement in fragile States", which was adopted in Busan, Republic of Korea, in 2011. The Dili Consensus, which was adopted in February 2013, reinforces the commitment of fragile States to the "new deal."[54]

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[53] See, for example, International Congress on Culture: Key to Sustainable Development (Hangzhou, China, 15-17 May 2013), the General Assembly thematic debate on culture and sustainable development (New York, 12 June 2013), and, more recently, the World Culture Forum on the Power of Culture in Sustainable Development (Bali, Indonesia, 24-27 November 2013).

[54] Outcome document of the International Conference on the Post-2015 Development Agenda — "Development for all: stop conflict, build States and eradicate poverty" (Dili, 26-28February 2013).

### F. Governance for a transformation towards sustainable development

93. Implementing critical reforms in governance structures for supporting a transformation to sustainable development is a serious challenge for the Asia-Pacific region. The call for more accountable, transparent and effective institutions has also emerged strongly from consultations in Asia and the Pacific in 2012-2013 on the development agenda beyond 2015.[55]

94. Most fundamentally, effective policy coordination mechanisms are needed to synergize objectives — for example, with respect to trade and social inclusiveness, disaster resilience and poverty reduction, and economic growth and women's empowerment. Several countries have established such coordination bodies.

95. The region can share several success stories. The inter-agency publication prepared for the United Nations Conference on Sustainable Development, *Towards a Green Economy for Sustainable Development and Poverty Reduction: An Asia-Pacific Perspective*,[32] presents a large number of case studies of successful integration of the three dimensions in the areas of agriculture, water, energy, industry, transport, commercial services, public services and facilities, and rural and urban livelihoods.

96. At the same time, further institutional reforms are needed to create an enabling environment for civil society and peoples' participation. For example, achieving universal civil registration needs to be a priority in the development agenda beyond 2015 because millions of people in the region are prevented from accessing essential services and participating in economic or political activities since they do not have a legal identity. Unless the inefficiencies in this fundamental area of governance are addressed, the detailed statistics needed in order to address the needs of vulnerable populations will remain elusive.

## V. Points for discussion

97. Regional forums on sustainable development are being convened pursuant to General Assembly resolution 67/290 on the format and organizational aspects of the high-level political forum on sustainable development.[56] Member States and stakeholders are invited to help shape a long-term process for the High-level Political Forum in Asia and the Pacific, providing recommendations on the functions, timing, frequency, participation, outcome, themes and procedural aspects, including the relationship with the Commission sessions, may be shared at the Asia-Pacific Forum on Sustainable Development for further consideration.

98. With the overall aim of fostering progress on sustainable development, the Asia-Pacific forums on sustainable development should closely align with

[55] ESCAP, ADB and UNDP, *Asia-Pacific Regional MDGs Report 2012/2013 – Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda* (Bangkok, 2013).

[56] The General Assembly decided that the High-level Political Forum on Sustainable Development should "benefit from regional preparatory processes" and invited the regional commissions to contribute to the work of the Forum, "including through annual regional meetings".

the functions of the High-level Political Forum on Sustainable Development,[57] while adapting to the regional context. Mechanisms for sharing information on best practices and lessons learned, and for enhanced reporting and accountability established at the global level though systematic engagement of regional commissions, are also proposed.[58] Links with other regional and global processes can be established, for example the UNEP United Nations Environment Assembly. In line with General Assembly resolution 67/290, which clearly outlines the engagement at the global level, the High-level Political Forum is expected to have an inclusive format, while respecting agreed rules of procedure.[59]

99. One of the main functions of the High-level Political Forum on Sustainable Development is to monitor implementation and assess progress, including through the Annual Ministerial Review, national reviews[60] and the global sustainable development report.[61] Regional monitoring and assessments should avoid duplication of other national or United Nations system reviews. The experience of the ESCAP/ADB/UNDP partnership that assesses regional progress on the Millennium Development Goals, could be extended for the sustainable development goals.

100. Regional commissions are mandated by General Assembly resolution 66/288 to promote sustainable development at the regional level. The relationship between the regional forums on sustainable development and the regular sessions of the regional commissions requires further thought. Regional commissions will explore four modalities during the 2014-2015 transitional period for the High-level Political Forum: (a) integrating the regional forums on sustainable development into Commission sessions; (b) holding the regional forums back-to-back with the Commission sessions; (c) using the regional

[57] See General Assembly resolution 69/270 and the summary of the first meeting of the high-level political forum on sustainable development (A/68/588).

[58] The first session of the United Nations Environment Assembly of UNEP will be heldbetween 23 and 27 June 2014 in Nairobi with a focus of the Ministerial discussions on the Sustainable Development Goals.

[59] See General Assembly resolution 67/290 and www.uncsd2012.org/majorgroups.html. The nine predefined "major groups" are: business and industry, children and youth; farmers; indigenous peoples; local authorities; non-governmental organizations; scientific and technological community; women; and workers and trade unions. A regional civil society coordination mechanism is being established following a civil society initiative at the third session of the ESCAP Committee on Environment and Development, held in October 2013, in line with resolution 67/290, which encourages major groups and other stakeholders"...to autonomously establish and maintain effective coordination mechanisms for participation in the high-level political forum and for actions derived from that participation at the global, regional and national levels, in a way that ensures effective, broad and balanced participation by region and by type of organization".

[60] In line with General Assembly resolution 67/290, the High-level Political Forum on Sustainable Development will assume the functions of the Economic and Social Council's Annual Ministerial Review in 2016. Starting from 2016, the Asia-Pacific Forum on Sustainable Development may play a role in highlighting the results of national reviews of implementation strategies that will replace the National Voluntary Presentations (NVP) conducted in the Economic and Social Council and mandated by the General Assembly in its resolution 67/290 as tool to inform the High-level Political Forum and assure its impact. The resolution on the High-level Political Forum identifies specific criteria for the national reviews.

[61] The High-level Political Forum on Sustainable Development is mandated to strengthen the science-policy interface.

forums on sustainable development as preparatory meetings for the Commission sessions or some aspects of it; and (d) stand-alone events.[62]

101. The frequency and modality of the regional forum for the High-level Political Forum could take into account the fact that the High-level Political Forum is intended to be convened every four years under the auspices of the General Assembly at the level of heads of Government or State, and annually under the auspices of the Economic and Social Council at the ministerial level.

102. A regional road map for implementation of the development agenda beyond 2015 and the sustainable development goals may be developed through a participatory process. Such a road map could strengthen institutional arrangements and partnerships and be equipped with an appropriate monitoring framework in line with the agreed sustainable development goal framework and assessment processes — for example, through the future regional process of the High-level Political Forum on Sustainable Development.

103. Taking into account the above, the participants in the Asia-Pacific Forum on Sustainable Development may wish to share their views on the following matters:

(a) Regional sustainable development priorities with specific goals, particularly relating toachieving shared prosperity within planetary limits, integration and transformation for sustainable development, means of implementation and rule of law, to be discussed during the Asia-Pacific Forum on Sustainable Development. Representatives may also wish to share emerging responses and best practices at the national level;

(b) The most effective organizational modalities of the Asia-Pacific Forum on Sustainable Development, in terms of the function, timing, frequency, participants, outcomes and positioning of the Forum vis-à-vis Commission sessions, and any other aspects;

(c) The feasibility of, and process for developing a regional road map for implementing the United Nations development agenda beyond 2015, based on the sustainable development goals, targets and indicator framework to be agreed;

(d) The key substantive functions of the Asia-Pacific Forum on Sustainable Development to best promote the integration of the three dimensions and other key strategies to achieve sustainable development in Asia and the Pacific. How should the High-level Political Forum on Sustainable Development most effectively and efficiently assess progress at the regional level, as well as effectively convey the Asia-Pacific regional perspective to the global process of the High-level Political Forum on Sustainable Development?

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[62] Regional Commission New York Office, "Regional forums on sustainable development: A concept note" (RCNYO, Rev.5, 27 January 2014).